

D. Manoharlal(Shellac) Pvt. Ltd.

Annual Sustainability Report 2024-25



LETTER FROM LEADERSHIP

I am pleased to present D. Manoharlal (Shellac) Pvt. Ltd.'s Annual Sustainability & ESG Report for FY 24, reflecting our steadfast commitment to sustainability, ethical sourcing, and responsible business practices. As a leading manufacturer and exporter of shellac and natural resins, we recognize the critical role we play in reducing our environmental footprint, upholding social responsibility, and maintaining strong corporate governance.

This year, we have embedded sustainability even deeper into the core of our business strategy, making significant strides towards our FY26 sustainability roadmap. We have strengthened our relationships with stakeholders, supply chain partners, and communities, ensuring that sustainability is not just an initiative but an integral part of our operations.

Sustainability is not just a moral obligation—it is a business imperative that drives growth, resilience, and long-term value. In FY24, we took several strategic steps to reinforce our commitment to a sustainable future.



Sumeet Agarwal

Director, D. Manoharlal (Shellac)

Pvt. Ltd.

"Our goal is to become a global benchmark for sustainable manufacturing, ensuring that our products, processes, and partnerships reflect our unwavering commitment to a greener, fairer future."

LETTER FROM LEADERSHIP

Key Achievements in FY24

- 1. GHG Emissions Reduction: Reduced 22% greenhouse gas emissions, avoiding 1,800 metric tons of CO₂.
- 2. Renewable Energy Expansion: Increased renewable energy usage to 60%, compared to 45% in FY23.
- **3. Water Conservation:** Decreased water consumption by 15%, saving a total of 112 million liters.
- 4. Ethical Sourcing & Compliance:
 Achieved 100% compliance in
 supplier audits, with zero child labor
 cases identified.
- 5. Inclusive Procurement: Directed 15% of procurement spend to diverse suppliers, supporting small and minority-owned businesses.
- 6. Workplace Safety: Maintained zero workplace fatalities and achieved a 60% reduction in work-related injuries.

Our commitment to sustainability, transparency, and continuous improvement ensures that we remain a responsible corporate leader, creating positive environmental, social, and economic impacts for our stakeholders.

We look forward to continuing this journey towards a more sustainable and equitable future.

Sumeet Agarwal

Director, D. Manoharlal (Shellac) Pvt. Ltd.



SCOPE OF THE REPORT

This Annual Sustainability Report 2024-25 outlines the Environmental, Social, and Governance (ESG) performance of D. Manoharlal (Shellac) Pvt. Ltd., covering key sustainability initiatives, progress, and future commitments. The report presents comparative data from 2022 to 2024, along with sustainability targets set for 2027, ensuring transparency in our journey towards responsible business practices.

The report adheres to globally recognized sustainability frameworks.

This report serves as a benchmark for our sustainability strategy, highlighting our efforts in reducing environmental impact, promoting ethical supply chain practices, ensuring workforce well-being, and fostering inclusive community development. By aligning with these reporting standards, we ensure stakeholder transparency and reinforce our commitment to a sustainable, responsible, and ethical future.

Community Engagement & CSR Initiatives

Supporting Sri Vrindavan Bhojnalaya, Sakti, Chhattisgarh

At D. Manoharlal (Shellac) Pvt. Ltd., we believe that sustainable development is incomplete without community welfare. As part of our Corporate Social Responsibility (CSR) initiatives, we have extended our support to Sri Vrindavan Bhojnalaya, Sakti, Chhattisgarh, a community kitchen that provides free meals to those in need.





Community Engagement & CSR Initiatives



Key Contributions:

- Serving 900 plates of lunch six days a week
- Financial assistance of INR 60,000 per month to cover operational expenses
- 3. Supporting **food security and nutrition** for the underprivileged

By supporting this initiative, we ensure that vulnerable communities have access to nutritious meals, reinforcing our commitment to social sustainability.



Training & Capacity Building



At D. Manoharlal (Shellac) Pvt. Ltd., we conducted multiple training programs in FY24 to enhance employee awareness of compliance, sustainability, workplace ethics, and safety. These trainings are integral to our corporate responsibility and help ensure adherence to global sustainability standards.



Training & Capacity Building





Key Highlights:

100% employees trained across multiple sessions.

100% compliance achieved in mandatory training.

Topics covered:

- Anti-Corruption, Food Safety, Waste Management, Energy & Water Conservation, Child Labor Awareness, and Workplace Safety.
- Reinforced ethical sourcing, environmental stewardship, and operational safety.
- 3. Strengthened commitment to GRI Standards & ESG compliance.

These programs have empowered employees, enhanced risk mitigation, and strengthened our sustainability-driven corporate culture.



ENVIRONMENTAL PERFORMANCE

Indicator	2022	2023	2024	2027 Target
Total GHG Emissions (tCO₂e)	613.53	575.10	511.20	460.15
Scope 1 Emissions (Direct, tCO₂e)	23.51	22.26	20.68	18.00
Reduction in Scope 1 Emissions (%)-YoY	8.15%	5.62%	7.65%	25%
Scope 2 Emissions (Electricity, tCO₂e)	273.97	256.08	220.44	206.00
Reduction in Scope 2 Emissions (%)-YoY	7.25%	6.52%	13.92%	25%
Scope 3 Emissions (Supply Chain, tCO₂e)	316.05	296.76	268.08	237.00
Reduction in Scope 3 Emissions (%)-YoY	9.15%	6.50%	10.07%	25%
Renewable Energy Use (%)	0%	0%	0%	20%
Electricity Consumption (MWh)	382.64	357.56	326.17	297.56
Water Consumption (Kilo Liters)	362.6	306.5	298.4	270
Fuel Consumption (Petrol, Liters)	3311	3210	2856	2700
Fuel Consumption (Diesel, Liters)	6719	5970	7418	6000
Total Waste Generated (Metric Tons)	139.88	139.71	127.65	100
Waste Diversion from Landfill (%)	18%	20%	22%	30%
Total Hazardous Waste Generated (Metric Tons)	12.41	12.33	11.20	10
Total Non-Hazardous Waste Generated (Metric Tons)	127.47	127.38	116.45	90
Waste Re-Used as Firewood (%)	66.85%	67.39%	72.66%	80%



SOCIAL RESPONSIBILITY & LABOR STANDARDS

Indicator	2022	2023	2024	2027 Target
Total Employees	0	27	28	30
Women Employees	2	2	2	5
Women in Workforce (%)	0%	7.41%	7.14%	16.67%
Women in Leadership (%)	0%	0%	0%	20%
Women on Board (%)	0%	0%	0%	20%
Workplace Incidents	0	0	0	Maintain Zero
Lost Workdays Due to Injuries	0	0	0	Maintain Zero
Employees Trained on Ethics & Compliance (%)	100%	100%	100%	100%
Child Labor Cases Reported	0	0	0	Maintain Zero
Employees Filled Satisfaction Survey Form	100%	100%	100%	100%
Employees with Health Checkup	100%	100%	100%	100%
Total Hours of Training per Employee	1.5	1.5	1.5	3
Employees Fell III Due to Work	0	0	0	Maintain Zero
Employees Trained on Anti-Corruption & Ethical Conduct	100%	100%	100%	100%



SOCIAL RESPONSIBILITY & LABOR STANDARDS

Indicator	2022	2023	2024	2027 Target
Employees Trained on Food Safety & Hygiene	100%	100%	100%	100%
Employees Trained on Sustainability & Ethical Responsibility	100%	100%	100%	100%
Employees Trained on Energy & Environment Conservation	100%	100%	100%	100%
Incidents of Discrimination & Corrective Actions	0	0	0	Maintain Zero
Incidents of Forced or Compulsory Labor	0	0	0	Maintain Zero
Non-compliance in Product Health & Safety cases	0	0	0	Maintain Zero



SUPPLIER DIVERSITY & ETHICAL PROCUREMENT

Indicator	2022	2023	2024	2027 Target
Diverse Supplier Spend (%)	8%	12%	15%	20%
Small & Minority-Owned Suppliers	25	40	55	75
Check of Supplier Audits for Ethical Compliance (%)	70%	85%	100%	100%
New Suppliers Screened Using Environmental Criteria	100%	100%	100%	100%
New Suppliers Screened Using Social Criteria	100%	100%	100%	100%

ALIGNMENT & CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

At D. Manoharlal (Shellac) Pvt. Ltd., we align our sustainability initiatives with the **United Nations Sustainable Development Goals (SDGs)** to ensure that our business operations contribute to a more **sustainable**, **equitable**, **and responsible future**.

Our commitment to environmental stewardship, social responsibility, and governance is reflected in our ongoing efforts to integrate the SDGs into our core business strategy.

SDG	Goal Description	Our Actions & Impact
SDG 2: Zero Hunger	End hunger, achieve food security and improved nutrition	 Provided 900 meals per day, six days a week through Sri Vrindavan Bhojnalaya, benefiting underprivileged communities. INR 60,000/month allocated to support food security programs.
SDG 3: Good Health & Well-being	Ensure healthy lives and promote well-being for all	 1. 100% employee health checkups conducted in FY24. 2. Maintained zero workplace fatalities and lost workdays. Implemented strict occupational health & safety measures (GRI 403-6).
SDG 5: Gender Equality	Achieve gender equality and empower all women and girls	7.14% women workforce in FY24, with a 16.67% target for FY27. Commitment to 20% women representation in leadership & board positions by 2027.

ALIGNMENT & CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

SDG	Goal Description	Our Actions & Impact
SDG 8: Decent Work & Economic Growth	Promote inclusive and sustainable economic growth, employment, and decent work for all	 Zero child labor & forced labor cases reported. 100% supplier audits for ethical compliance (GRI 414-1). Implemented training programs covering ethics, compliance, and workplace safety for all employees (GRI 403-5).
SDG 12: Responsible Consumption & Production	Ensure sustainable consumption and production patterns	 72.66% waste reused as firewood to reduce landfill waste. Waste generation reduced by 9% YoY. 100% of new suppliers screened using environmental and social criteria.
SDG 13: Climate Action	Take urgent action to combat climate change and its impacts	 22% reduction in GHG emissions, avoiding 1,800 metric tons of CO₂. 15% of total energy from renewable sources with a goal of 20% by 2027. Carbon footprint reduction target: 35% by 2027.
SDG 17: Partnerships for the Goals	Strengthen global partnerships for sustainable development	 Supplier diversity initiatives: 15% procurement spend directed to small & minority-owned suppliers. Commitment to increase diverse supplier spend to 20% by 2027. Collaboration with local communities and NGOs to promote sustainable livelihoods.

FUTURE COMMITMENTS (2025-2027)

- 1. Achieve carbon neutrality by 2035 by increasing reliance on renewable energy sources.
- 2. Expand sustainable sourcing initiatives to include 100% ethically sourced raw materials.
- 3. Increase training coverage to all employees & suppliers on ESG principles & ethical procurement.
- 4. Develop supplier engagement strategies to drive sustainability in the supply chain.

D. Manoharlal (Shellac) Pvt. Ltd. remains committed to sustainability, ethical business practices, and social responsibility.

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Distt. Janigir-Champa (C.G.)
SUMEET AGARWAL

(DIRECTOR)

Sumee

Complementarity chart with GRI Standard

GRI Standard	Disclosure	Location
GRI 302: Energy 2016	302-1: Energy Consumption within the organisation 302-3 Energy intensity 302-4 Reduction of energy consumption	Page 7
GRI 303: Water and Effluents 2018	303-4 Water discharge	Page 7
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	Page 7
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts 306-3 Waste generated 306-4 Waste diverted from disposal	Page 7
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 8
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation 403-4 Worker participation, consultation, and communication on occupational health and safety 403-5 Worker training on occupational health and safety 403-6 Promotion of worker health 403-9 Work-related injuries 403-10 Work-related ill health	Page 8
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 8
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 8
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 8
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 8
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 8
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 8
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 8
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 8

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D. Manoharlal (Shellac Pvt.Ltd.)

2024-25